

**UNITED STATES DISTRICT COURT  
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.<sup>1</sup>

PROMESA

Title III

No. 17 BK 3283-LTS

**Re: ECF Nos. 7449, 7468, 7712,  
7929, 8251, 8306, 8370, 8476, 8514,  
8586, 8711, 8781, 8851, 9017, 9385,  
9411, 9671, 10,590, 11,943, 11,969,  
12443, 12448, 12714**

(Jointly Administered)

**JOINT STATUS REPORT**

To the Honorable United States District Judge Laura Taylor Swain:

The Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”), on behalf of the Commonwealth of Puerto Rico (the “Debtor”), pursuant to the authority granted to it under the *Enabling Act of the Fiscal Agency and Financial Advisory Authority*, Act 2-2017 and NextGen HealthCare, Inc. and Quality Systems, Inc. (the “Movants” and with the Debtor, the “Parties”) respectfully submit this Joint Status Report in compliance with this Court’s *Order Granting*

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<sup>1</sup> The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5233-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

*Nineteenth Urgent Consented Motion for Extension of Deadlines* (the “Amended Scheduling Order”) [ECF No. 12714] and state as follows:<sup>2</sup>

**Status Update**

1. On June 14, 2019, the Movants filed a *Motion for Payment of Administrative Expense Claim of Post-Petition Executory Contract Payments* [ECF No. 7449] (the “Motion”), requesting that the Court enter an order directing the Department of Health, an entity of the Debtor, to pay \$179,510.00 for post-petition services purportedly provided by Movants. Accordingly, Movants allege they are entitled to administrative expense priority. See, Motion at p. 7.

2. The Parties are in the final phase of their good-faith settlement negotiations for the consensual resolution of the Motion and have drafted and circulated a settlement agreement that, if approved and executed by the Parties, would resolve the Motion. Despite the Parties’ best efforts, the Government lockdown imposed pursuant to Executive Order OE-2020-023, Executive Order OE-2020-029 and Executive Order OE-2020-033 (as subsequently amended by Executive Order OE-2020-034 on April 14, 2020) (the “Executive Orders”) and the Department of Health’s direct involvement and focus in combating the COVID-19 crisis, have delayed this final aspect of the process.

3. As detailed in the *Status Report of the Puerto Rico Fiscal Agency and Financial Advisory Authority Regarding the Government of Puerto Rico’s Recent Activities in Response to the Ongoing Covid-19 Pandemic* [ECF No. 12921], pursuant to the Executive Orders, the Government lockdown has been further extended, with some modifications, until May 3, 2020. These protective measures will be further extended. The Government faces a significant challenge

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<sup>2</sup> The Financial Oversight and Management Board for Puerto Rico, as the Debtor’s representative pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”), has authorized AAFAF to file this Joint Status Report on behalf of the Debtor.

in safeguarding public health and safety, ensuring the provision of public services (including health services, rising unemployment and economic distress), and coordinating rehabilitative measures against the backdrop of economic fragility. Addressing this challenge is the Government's (and the Department of Health's) top priority. Accordingly, the Department of Health, as well as its Secretary of Health, have continued and will continue to focus their efforts and resources on addressing the COVID-19 crisis.

4. In the meantime, the Parties will continue to work to resolve, consensually, the Motion and expect to do so by the timeframe provided in the Amended Scheduling Order.

Dated: May 1, 2020  
San Juan, Puerto Rico

Respectfully submitted,

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